

CBSFA

Central Bering Sea Fishermen's Association

Community Development Plan (CDP) for
2003-2005 Multi-Species Community Development Quota (CDQ) Program
1st Quarter Report 2004

Prepared for:
State of Alaska

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Central Bering Sea Fishermen's Association

I. Quarterly Highlights – 1st Quarter

- President Phillip Lestenkof attended the Pribilof Islands Collaborative meetings in Anchorage the week of January 15.
- The 2004 IPHC Annual Meeting was held in Juneau, Jan 19-23rd; President Lestenkof, Chairman Myron Melovidov, Vice President Robert Melovidov and Boardmember Jason Bourdukofsky attended.
- President Lestenkof attended the NPFMC meetings the week of February 2nd.
- CBSFA held a regular board meeting on February 29, 2004.
- The CBSFA RT760E Grove Crane was inspected and recertified by Darren Folkers of the American Bureau of Crane Inspection; March 17-19. A crane safety training session was held on March 18, 2004.
- CBSFA held a regular board meeting on March 25, 2004.
- President Lestenkof attended the NPFMC meetings the week of March 29th.
- CBSFA/MSDH completed the acquisition of the F/V Starlite and F/V Starward (pollock/groundfish catcher vessels).

II. COMMUNITY DEVELOPMENT

A. PROGRESS TOWARD MULTI-SPECIES GOALS, OBJECTIVES, PROJECTS, AND MILESTONES

Goal 1: Multi-Species Development Project

Objective: Develop a multi-species seafood company and at the same time create a competitive business environment that will attract and hold additional MSD businesses.

Milestone 1: Secure Options and Purchase Agreements

Status: Negotiations held during Q1, 2003.

During Q4 (2003) MSDH LLC, a wholly owned subsidiary of CBSFA, entered into a preliminary agreement to purchase equity stakes in the FV Starlite and FV Starward (pollock catcher vessels) to be included with the other four vessels in the MSD project fleet.

During Q1 2004 MSDH completed the acquisition of the FV Starlite and FV Starward.

Milestone 2: Secure final berth, management and marketing agreements

Status: Lease payment for berth made in Q1, 2003.

During Q4 2003 MSDH LLC entered into a Memorandum of Understanding to establish a St. Paul based seafood venture with UniSea.

During Q1 2004 MSDH LLC began preliminary negotiations with Unisea and one other processor to develop the new shore-based processing venture on St. Paul Island. Those negotiations will set the stage for the final terms of the berth, management and marketing agreements.

Milestone 3: Exercise Options and Agreements

Status: In June 2003, CBSV LLC, a wholly owned subsidiary of CBSFA, purchased interest in four fishing vessels. CBSV LLC now owns 30% in each of the F/V Fierce Allegiance and F/V Early Dawn. CBSV LLC also owns 40% in each of the F/V Shishaldin and F/V Ballyhoo. These vessels have a diversified fishing history, which was one of the main reasons the CBSFA BOD and management approved investing in these vessels. In addition to having a good fishing history in opilio and Bristol Bay red king crab fisheries, the Early Dawn, Shishaldin and Ballyhoo also have fishing histories in the Aleutian Islands brown king crab fisheries. Besides having an excellent crab history, the Fierce Allegiance is also an American Fisheries Act (AFA) approved pollock catcher vessel with its own share of onshore pollock. In Q1 2004 MSDH completed the acquisition of the FV Starlite and FV Starward, fulfilling the terms of the related Purchase and Sales Agreements.

Goal 2: CDQ Halibut Fishery

Objective: Continue to support and manage the growth of the Local Fleet through innovative CDQ halibut programs. *See also “C-IFQ Project” and “Local Fleet Support Program.”*

Milestone 1: *Continue CDQ Halibut RFP Process*

Status: On March 25, 2004 the CBSFA Board approved the CBSFA Halibut Cooperative Plan for 2004 with CBSFA as the buyer and Trident as the custom processor.

Milestone 2: *Conduct CDQ Fishery Management Plan Meeting*

Status: A Fishermen’s Meeting is scheduled to be held in Q2 2004.

Goal 3: CBSFA Halibut Cooperative

Objective: To raise the ex-vessel prices to the local fleet and reduce the costs associated with CBSFA’s Local Fleet Support Program, including the operations of the Small Boat Harbor.

Milestone 1: Develop CBSFA Halibut Cooperative Business Plan

Status: On March 25, 2004 the CBSFA Board approved the CBSFA Halibut Cooperative for 2004 with CBSFA as the buyer and Trident as the custom processor.

Milestone 2: Implement CBSFA Halibut Cooperative Plan

Status: Ongoing.

Milestone 3: Profit Sharing Distribution to Members (if any)

Status: Ongoing.

Milestone 4: Annual Review and Report to Board and Members

Status: At the March 25, 2004 CBSFA Board meeting President Lestenkof reported on the results of the 2003 CBSFA Halibut Cooperative and proposed the 2004 CBSFA Halibut Cooperative Plan which the board approved.

Goal 4: Local Fleet Support Program

Objective: Develop and facilitate programs that support the growth of the Local Fleet and insure their ability to prosecute the local fisheries. *See also “Education and Training.”*

Milestone 1: *Deploy and retrieve floating dock system*

Status: Q2 2004.

Milestone 2: *Provide Vessel Launch and Retrieval services*

Status: Q2 & Q3 2004.

Milestone 3: *Maintain Launch and Retrieval (crane and trailers) equipment*

Status: From March 17-19, 2004 and inspector from the American Bureau of Crane Inspection came to St. Paul Island and re-certified the Grove Crane RT760E. Replacement items were purchased for one of the CBSFA hydraulic trailers.

Milestone 4: *Provide general Fishermen’s Training*

Status: Darren Folkers from the American Bureau of Crane Inspection held a mobile crane safety operation and operators training course from March 17-19, 2004.

Goal 5: Community IFQ Project

Objective: Develop C-IFQ program to support the growth of the Local Fleet and the MSD Project.

Milestone 1: *Advocate for adoption of Pribilof Islands C-IFQ program*

Status: CBSFA submitted its C-IFQ proposal to the NPFMC in late 2002; At the Council's February 2003 meeting, under staff tasking, the Council decided not to take up new proposals at that time. In October 2003, the NPFMC IFQ Implementation Committee reviewed the CBSFA C-IFQ proposal and did not approve the proposal to be analyzed by the NPFMC at this time.

At the December 2003 NPFMC meeting, CBSFA submitted a proposal under the IFQ Program changes being analyzed by the council. CBSFA's proposal: Amend IFQ and CDQ halibut regulations to allow Area 4C fishermen to harvest Area 4C IFQ and CDQ in Area 4D. The council approved this proposal for analysis.

Milestone 2: *Establish fund for C-IFQ purchases*

Status: Pending NPFMC action. (See Milestone 1)

Milestone 3: *Upon adoption, establish C-IFQ program guidelines*

Status: Pending NPFMC action. (See Milestone 1)

Milestone 4: *Implement C-IFQ program*

Status: Pending NPFMC action. (See Milestone 1)

Goal 6: Vessel Repair and Maintenance Program

Objective: Facilitate repair programs to insure the efficient and safest possible operation of the Local Fleet.

Milestone 1: *Assess Local Fleet Repair Needs*

Status: The local fishermen were surveyed in March 2004.

Milestone 2: *Facilitate a repair and maintenance program based on the assessment*

Status: CBSFA is making plans with an engine technician to come to St. Paul Island to do engine repair and maintenance on local vessels.

Goal 7: Vessel, Gear and IFQ Loans

Objective: Continue existing loan programs, and expand it to include C-IFQ program when adopted.

Milestone 1: *Annually review loan performance, program goals and budgets*

Status: CBSFC Loan Committee met on December 22, 2003 and reviewed the budgets for 2004, student loans and scholarships, IFQ loans and V/G Loans. On March 10, 2004 a notice was sent to the local fishermen on submitting applications for Vessel, Gear and IFQ Loans.

Milestone 2: *Review IFQ Loan program if C-IFQ initiative succeeds*

Status: Pending NPFMC action.

Milestone 3: *Implement Board-approved IFQ program changes if needed*

Status: Due to slow fishing in 4C, no interest in buying IFQs.

Goal 8: Construct Vessel Repair, Maintenance and Storage Facility

Objective: To construct a multiple-use facility that can be utilized for Local Fleet repair work, vessel and crane storage, and other dry storage needs.

Milestone 1: *Finalize building plan including construction finance, land acquisition and operation*

Status: CBSFA will be amending this milestone to have more time to finalize land acquisition, financing and construction issues.

Milestone 2: *Contingent upon securing land, permits and financing, begin construction of facility*

Status: See Milestone 1.

Goal 9: American Seafood Investment

Objective: To continue to participate in this strategic investment, and utilize American Seafoods expertise when appropriate.

Milestone 1: *Monitor and participate in ASC Board activities*

Status: No board meeting held in 1st quarter 2004.

Milestone 2: *Strengthen relationship to access seafood industry expertise*

Status: CBSFA has a good working relationship with ASC.

Goal 10: F/V Ocean Cape and F/V Zolotoi

Objective: To gain better management/control or exit these vessel partnerships.

Milestone 1: *Implement Exit or Take-over strategies*

Status: A meeting between CBSFC management and vessel partners was held in January 2003 regarding this milestone. CBSFC President and board members met with vessel partners to discuss the Ocean Cape and Zolotoi in the 4th quarter. The partnership agreed that it was in the best interest of all involved to pursue a sale of the F/V Ocean Cape for the highest price possible. Currently negotiating with Keybank and other partners for the best exit option.

Goal 11: Small Boat Harbor Project

Objective: To actively represent the Local Fleet's interest in this project.

Milestone 1: *Continue Local share set-aside program*

Status: CBSFA deposited its remaining 2003 SBH set-aside funds on February 29, 2004.

Milestone 2: *Develop SBH Business Plan that includes long-term O&M funding options*

Status: Ongoing. Project review with City and Army Corps of Engineers began December 2003.

Goal 12: Essential Fish Habitat Advocacy & Research Project(s)

Objective: To advocate for Pribilof Islands harvesting and processing interests within the EFH process and to attract research projects to the Pribilof Islands.

Milestone 1: *Secure position in the EFH process, develop EFH strategy*

Status: CBSFA now has a seat on the EFH Committee and the Pribilof Stakeholders organizing committee. At the February 29, 2004 meeting the CBSFA board appointed Phillip Lestenkof to represent CBSFA on the Pribilof Islands Collaborative.

Milestone 2: *Develop EFH Research project(s), secure co-funding*

Status: CBSFA successfully secured funding for 2003, 2004 & 2005 from the North Pacific Research Board (NPRB) for two research projects: Area 4C halibut and Pribilof Blue King Crab. CBSFA and the State of Alaska began developing a crab enhancement research project in Q2 2003. St. Paul fishermen deployed water data recorders in 2002 and 2003 in collaboration with IPHC.

Milestone 3: *Continue advocacy and research projects*

Status: CBSFA is participating in EFH committee, Fur Seal EIS committee, Pribilof Islands Collaborative meetings and proposed PNCIAC research committee meetings.

Goal 13: Education and Training Programs

Objective: Provide education and training opportunities to members of the community, and to encourage our youth to return to the island with their new skills.

Milestone 1: *CBSFA will fund a scholarship, student loan and training program*

Status: The Loan Committee met on January 11, 2003 to review current loan applications and scholarship applications. A total of 9 scholarships, 1 loan, and 1 training grant were approved. Fall Semester applications for student scholarships, student loans, training grants deadline to apply was June 30, 2003. The CBSFC Loan Committee met on August 6, 2003. 11 students received scholarships, 1 student received a student loan, and 1 student received a training grant. The CBSFC Loan Committee met December 22, 2003 to review applications and award scholarships, student loans, and training grants. 14 scholarships and 2 student loans were approved; they will be distributed in Q1 2004.

Milestone 2: *Review loan performance*

Status: The CBSFC Loan Committee met on December 22, 2003 and reviewed all loans and budgets.

Milestone 3: *Review loan and scholarship policies and budgets*

Status: Ongoing.

Goal 14: Community Outreach

Objective: Continue a two-way dialogue with the community through a combination of surveys and newsletters.

Milestone 1: *Continue quarterly newsletter*

Status: Ongoing.

Milestone 2: *Continue Member Survey*

Status: The local fishermen were surveyed in March 2004. Ongoing.

Milestone 3: *Continue Board Survey*

Status: Ongoing.

Goal 15: General Management

Objective: Continue to provide effective and efficient management as CBSFA grows and diversifies its business interests.

Milestone 1: *Secure independent financial and performance audits*

Status: KPMG is engaged to perform the 2003 audit of CBSFA, to begin in April 2004.

Milestone 2: *Provide updated Board training and education*

Status: Mike Jansen, KPMG, was scheduled to come to St. Paul Island for board training in December 2003 but due to unforeseen circumstances he was not able to make the trip. The training was for reading and understanding financial statements, budgets and documents.

Milestone 3: *Review Management performance, organization and projects*

Status: During Q4 2003 the CBSFA Board adopted a plan to restructure CBSFA, and to create two new subsidiaries: Central Bering Sea Holdings, LLC and Multi-Species Development Holdings, LLC. CBSH, LLC was specifically established to manage CBSFA's American Seafoods investment and MSDH, LLC was specifically established to manage CBSFA's MSD assets and project.

Milestone 4: *Review Partner(s) performance*

Status: Received K-1 forms from partners for 2003.

Milestone 5: *Provide Staff Training*

Status: Jonathan Thorpe flew to St. Paul in January 2004 to work with Rena Kudrin on the 4th Quarter Report.

Milestone 6: *Periodically review Strategic Plan and Five-year Forecast*

Status: Being revised as part of Substantial Amendment 04-01 CB.

Milestone 7: *Participate in NPFMC, IPHC and other appropriate policy forums*

Status: President Phillip Lestenkof attended the Pribilof Islands Collaborative meetings in Anchorage the week of January 15, 2004.

The 2004 IPHC Annual Meeting was held in Juneau, Jan 19-23, 2004; President Lestenkof, Chairman Myron Melovidov, Vice President Robert Melovidov and Boardmember Jason Bourdukofsky attended.

President Lestenkof attended the NPFMC meetings the week of February 2, 2004.

President Lestenkof attended the NPFMC meetings the week of March 29, 2004.

Goal 16: Investment Fund Policies and Procedures

Objective: Maintain a conservative stance and sufficient liquidity to implement MSD and C-IFQ programs

Milestone 1: Develop Cash Flow model

Status: Ongoing.

Milestone 2: Maintain sufficient liquidity to meet investment strategy

Status: In 1st quarter 2003 CBSFA implemented a funds portfolio allocation at Morgan Stanley, which included liquidity to meet investment needs.

Milestone 3: Monitor portfolio performance and adjust as necessary

Status: In 1st quarter 2003, CBSFA management and Morgan Stanley drafted “The Investment Policy Statement of Goals and Objectives of CBSFA” to manage CBSFA’s investments. The Investment Committee met in February 2004.

B. OUTREACH

- A CBSFA staff member attended the APIA (Aleutian/Pribilof Islands Association) Wellness Conference in February 2004; a case of crab was donated to the conference as a door prize.
- The Alaska Business Development Center brought in tax preparers for the local fishermen and community; CBSFA donated by means of airfare and housing for the tax preparers.
- CBSFA donated to the Aleut Community of St. Paul, Tribal Government Ecosystem Conservation Office for youth education and for the recycling center.
- CBSFA purchased, in part with the City of St. Paul, life slings for all of the docks in the harbor.

C. EMPLOYMENT

1. CBSFA 2004 1st Quarter Employment Data Form

	1st Quarter		Year-to-Date		Year-to Date
	Postion/People	Wages	Postion/People	Wages	People
Management/Administrative	5	72,012	5	72,012	5
CDQ Pollock Related					
A/B Season	None		None		
C/D Season	None		None		
Other Fishing	2	2286	2	2286	2
CDQ Halibut Fisheries	0	0	0	0	0
Other Employment	0	0	0	0	0
Internships	0		0		0
Total	7	74,298	7	74,298	7

2. Summary

Management/Administrative: Four local CBSFA members are employed at the St. Paul Island Office. Positions consist of President, Quota Manager, Office Manager, Office Asst. and Admin. Assistant. The Quota Manager position has been temporarily moved to Anchorage. CBSFA hired Jonathan Thorpe, CPA as the Chief Financial Officer.

CDQ Pollock Related (A/B Season): No Activity.

Other fishing: During the 2004 Opilio Season Icicle hired 1 CBSFA member and 1 person crewed during the Opilio CDQ fishery.

Other employment: None.

Internships: None

D. Training

1. CBSFA 2004 1st Quarter Training Data Form

	1 st Quarter		Year-to-Date	
	People	Expenditure	People	Expenditure
Scholarships				
Postsecondary	14	36,400	14	36,400
Vocational	0	0		
Voch-tech Classes				
Basic	0	0	0	0
Advanced	0	0		
Other Training				
Fisheries related	0	0		
Student Loans	2	6,250	2	6,250
CDQ Staff/Board	0	0		
Other	0	0		
Other Expenditures				
To Educational Institutes	0	0		
Educational Endowment Funds				
Other	0	0		
Total	16	42,650	16	42,650

2. Summary

Scholarships: The CBSFC Loan Committee met on December 22, 2003 to review applications and award scholarships, student loans, and training grants. 14 scholarships and 2 student loans were approved; they were distributed in Q4 2003 & Q1 2004.

Vocational/Technical Grants: Deadline was December 15, 2003.

Other Training: No training grants were awarded in 1st quarter.

Student Loans: Two students have been approved for student loans for the 2004 Spring Semester.

Other Expenditures: None

III. ADMINISTRATION

A. Board Activities: None.

B. State of Alaska Reporting Compliance CBSFA is in compliance with the State of Alaska reporting regulations.

C. Amendment Status

Quarter 1: **SA 04-01:** Amend CBSFA's 2003-2005 CDP, adding Multi-Species Development Holding LLC and add the F/V Starlite and F/V Starward.
 SA 04-02: Transfer Pollock and associated by-catch to BBEDC to be harvested in a pooled fishery.
 SA 04-03: Transfer Atka Mackerel, Flatfish, and associated by-catch to be harvested in a pooled fishery.
 SA 04-04: Addition of F/V Ballyhoo and the shoreside processors Westward and Unisea to CBSFA's 2003-2005 CDP.

D. Other Issues

IV. HARVESTING REPORT

A. Pollock and Multi-species CDQ Harvest by Quarter and Year to Date

1. Consolidated Summary of CDQ Harvesting Activities

2004 Species Transferred into pools for Harvest:

Pollock

American Seafoods Company continues to be CBSFA harvesting partner. To provide for increased utilization and minimize by-catch CBSFA, BBEDC, and CVRF pooled Pollock and by-catch. In 2004 this fishery pool is being harvested by American Seafoods vessels through the CDQ group BBEDC.

Flatfish and Atka Mackerel

To provide for increased utilization of the fishery resource and minimize by-catch CBSFA, BBEDC, YDFDA, and CVRF combined their Atka, Mackerel and Flatfish quotas for harvest by one fishing partner, US Seafoods. In 2004 this fishery pool is being managed by BBEDC.

MS CDQ/PSQ Account Status Report 2004, Quarter 1													
CDQ Group: CBSFA	Units	Initial Allocation Amount	Transferred In	Transferred Out	Allocation after transfers	CDQ / PSQ Catch Reported				YTD Harvest	Percent Harvested	CDQ / PSQ Remaining	Percent Remaining
CDQ Reserve Category						1st Qtr	2nd Qtr	3rd Qtr	4th Qtr				
BS Pollock	mt	7,460.000		7460.000	0.000					-	-	-	-
Pacific Cod	mt	1,454.670		65.000	1,389.670	288.133				288.133	20.7%	1,101.537	79.3%
BS FG Sablefish	mt	46.400		0.000	46.400	31.478				31.478	67.8%	14.922	32.2%
AI FG Sablefish	mt	13.950		0.000	13.950					0.000	0.0%	13.950	100.0%
BS Sablefish	mt	9.810		5.500	4.310					0.000	0.0%	4.310	100.0%
AI Sablefish	mt	4.640		2.500	2.140					0.000	0.0%	2.140	100.0%
WAI Atka Mackerel 543	mt	124.000		121.000	3.000					0.000	0.0%	3.000	100.0%
CAI Atka Mackerel 542	mt	186.640		183.000	3.640					0.000	0.0%	3.640	100.0%
EAI/BS Atka Mackerel 541	mt	67.440		65.700	1.740	0.448				0.448	25.7%	1.292	74.3%
Yellowfin Sole	mt	516.480		420.000	96.480					0.000	0.0%	96.480	100.0%
Rock Sole	mt	246.000		235.000	11.000	1.367				1.367	12.4%	9.633	87.6%
BS Greenland Turbot	mt	16.240		6.000	10.240	2.100				2.100	20.5%	8.140	79.5%
AI Greenland Turbot	mt	4.200		2.000	2.200					0.000	0.0%	2.200	100.0%
Arrowtooth Flounder	mt	81.000		55.000	26.000	7.936				7.936	30.5%	18.064	69.5%
Flathead Sole	mt	128.250		98.000	30.250	1.999				1.999	6.6%	28.251	93.4%
Other Flatfish	mt	18.000		13.000	5.000	0.018				0.018	0.4%	4.982	99.6%
Alaska Plaice	mt	37.500		14.000	23.500					0.000	0.0%	23.500	100.0%
BS Pacific Ocean Perch	mt	6.360		4.500	1.860					0.000	0.0%	1.860	100.0%
WAI Pacific Ocean Perch 543	mt	35.120		30.100	5.020					0.000	0.0%	5.020	100.0%
CAI Pacific Ocean Perch 542	mt	17.520		16.500	1.020					0.000	0.0%	1.020	100.0%
EAI Pacific Ocean Perch 541	mt	18.320		17.300	1.020					0.000	0.0%	1.020	100.0%
Northern Rockfish	mt	0.000		N/A	N/A					N/A	N/A	N/A	N/A
Shortraker Rockfish	mt	0.000		N/A	N/A	0.056				N/A	N/A	N/A	N/A
Rougheye Rockfish	mt	0.000		N/A	N/A					N/A	N/A	N/A	N/A
BS Other Rockfish	mt	2.450		0.900	1.550	0.076				0.076	4.9%	1.474	95.1%
AI Other Rockfish	mt	3.840		1.900	1.940					0.000	0.0%	1.940	100.0%
Other Species	mt	0.000		N/A	N/A	112.754				N/A	N/A	N/A	N/A
PSQ Reserve Category													
Zone 1 Red King Crab	ea	1,182.000		850.000	332.000					0.000	0.00%	332.000	100.0%
Zone 1 Bairdi Tanner Crab	ea	5,880.000		3,300.000	2,580.000					0.000	0.00%	2,580.000	100.0%
Zone 2 Bairdi Tanner Crab	ea	17,820.000		13,300.000	4,520.000					0.000	0.00%	4,520.000	100.0%
Opilio Tanner Crab	ea	26,100.000		16,000.000	10,100.000	77.334				77.334	0.77%	10,022.666	99.2%
Pacific Halibut (mortality)	mt	30.870		13.000	17.870	0.122				0.122	0.68%	17.748	99.3%
Chinook Salmon	ea	109.000		109.000	0.000					-	-	-	-
Non-Chinook Salmon	ea	158.000		158.000	0.000					0.000	-	0.000	-

B. Pollock and Multi-species CDQ Harvest Activities by Target Fishery

2. Pollock Harvesting Activities for 2004 Quarter 1

2004 BBEDC, CBSFA, & CVRF Pollock Pool										
CDQ SPECIES	BBEDC	Transferred In CBSFA	CVRF	Total 2004 Pollock Pool	CDQ Catch By Group			Total ASC CDQ Catch	Percent of CDQ Caught	(Over)/ Under (mt)
					BBEDC	CBSFA	CVRF			
Pollock	31,332.000	7,460.000	35,808.000	74,600.000	12,572.377	2,993.423	14,368.430	29,934.230	40.1%	44,665.770
A season (40%)	12,532.800	2,984.000	14,323.200	29,840.000	12,572.377	2,993.423	14,368.430	29,934.230	100.3%	-94.230
B season (60%)	18,799.200	4,476.000	21,484.800	44,760.000						
Pacific Cod	90.000	25.000	100.000	215.000	81.990	22.775	91.100	195.864	91.1%	19.136
A season (60%)	54.000	15.000	51.000	215.000	81.990	22.775	91.100	195.864	91.1%	19.136
B season (40%)	36.000	10.000	34.000	0.000	0.000	0.000	0.000	0.000	0.0%	0.000
BS Sablefish Trawl	2.000	1.000	2.000	5.000	0.004	0.002	0.004	0.011	0.2%	4.989
EAI/BS Atka Mackerel	2.000	0.700	2.000	4.700	0.011	0.004	0.011	0.025	0.5%	4.675
Yellowfin Sole	30.000	20.000	25.000	75.000	4.900	3.267	4.084	12.251	16.3%	62.749
Rock Sole	110.000	30.000	105.000	245.000	93.038	25.374	88.809	207.222	84.6%	37.778
BS Greenland Turbot	2.000	2.000	4.000	8.000	0.047	0.047	0.095	0.189	2.4%	7.811
Arrowtooth Flounder	35.000	20.000	30.000	85.000	2.821	1.612	2.418	6.852	8.1%	78.148
Flathead Sole	75.000	28.000	69.000	172.000	37.676	14.066	34.662	86.403	50.2%	85.597
Other Flatfish	15.000	5.000	10.000	30.000	3.509	1.170	2.339	7.018	23.4%	22.982
Alaska Plaice	20.000	4.000	20.000	44.000	0.261	0.052	0.261	0.575	1.3%	43.425
BS Pacific Ocean Perch	3.500	1.000	3.000	7.500	0.014	0.004	0.012	0.031	0.4%	7.469
BS Other Rockfish	1.000	0.400	0.700	2.100	0.080	0.032	0.056	0.167	8.0%	1.933
Prohibited Species Quota										
Zone 1 Red King Crab	300.000	100.000	300.000	700.000	0.531	0.177	0.531	1.239	0.2%	698.761
Zone 1 Bairdi Crab	1,000.000	300.000	1,000.000	2,300.000	3.408	1.022	3.408	7.839	0.3%	2,292.161
Zone 2 Bairdi Crab	2,000.000	300.000	2,000.000	4,300.000	8.316	1.247	8.316	17.880	0.4%	4,282.120
Opilio Tanner Crab	6,000.000	1,000.000	7,000.000	14,000.000	0.000	0.000	0.000	0.000	0.0%	14,000.000
Pacific Halibut	6.000	3.000	7.000	16.000	2.000	1.000	2.334	5.334	33.3%	10.666
Chinook Salmon	457.000	109.000	500.000	1,066.000	232.234	55.391	254.085	541.710	50.8%	524.290
Non-Chinook Salmon	662.000	158.000	730.000	1,550.000	0.000	0.000	0.000	0.000	0.0%	1,550.000

3. Pacific Cod Harvesting Activities for 2004 Quarter 1

CBSFA Pacific Cod Target Fishery Harvest Activity First Quarter as of March 31, 2004								
CDQ Reserve Category	Units	Alloc. after				YTD Harvest	% of Target	
		transfers	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Harvest	
A Season (60%)	mt	833.802	287.875				287.875	34.5%
B Season (40%)	mt	555.868					0.000	0.0%
Pacific Cod Total	mt	1,389.670	287.875	0.000	0.000	0.000	287.875	20.7%
Bycatch								
Non Quota Pollock	mt	N/A	30.327				30.327	-
BS FG Sablefish	mt	-						-
AI FG Sablefish	mt	-						-
Yellowfin Sole	mt	-					0.000	-
Rock Sole	mt	-	0.367				0.367	-
BS Greenland Turbot	mt	-	0.056				0.056	-
AI Greenland Turbot	mt	-						-
Arrowtooth Flounder	mt	-	0.342				0.342	-
Flathead Sole	mt	-	1.999				1.999	-
Other Flatfish	mt	-	0.018				0.018	-
Alaska Plaice	mt	-					0.000	-
BS Pacific Ocean Perch	mt	-						-
WAI Pacific Ocean Perch 543	mt	-						-
CAI Pacific Ocean Perch 542	mt	-						-
EAI Pacific Ocean Perch 541	mt	-						-
BS Northern Rockfish	mt	-						-
BS Other Rockfish	mt	-					0.000	-
AI Other Rockfish	mt	-						-
Other Species	mt	-	112.754				112.754	-
PSQ Reserve Category								
Zone 1 Red King Crab	ea	332.000					0.000	
Zone 1 Bairdi Tanner Crab	ea	2,580.000						
Zone 2 Bairdi Tanner Crab	ea	4,520.000					0.000	
Opilio Tanner Crab	ea	10,100.000	77.334				77.334	
Pacific Halibut (mortality)	mt	17.870	0.122				0.122	
Chinook Salmon	ea	0.000						
Non-Chinook Salmon	ea	0.000						

a. Summary of harvesting activities by target fishery (Pacific Cod)

To date, Pacific Longline Association harvested 34.5% of CBSFA 's Pacific Cod allocated to the target fishery.

b. Summary of by-catch in Pacific Cod fishery

The NMFS management of 'Other Species' changed during the 4th Quarter of 2003, CDQ groups no longer receive a specific allocation.

4. Sablefish (Black Cod) Harvesting Activities for 2004 Quarter

Sablefish Target Fishery Harvest Activity First Quarter as of March 31, 2004								
	Unit	Allocation after	1st	2nd	3rd	4th	YTD	% Targe Harves
CDQ Reserve								
BS FG	m	46.400	31.478				31.478	67.8
AI FG	m	13.950					0.00	
BS Sablefish	m	4.31						
AI Sablefish	m	2.14						
Bycatch								
Non Pollock Quota	m	N/A						-
Pacific Cod	m	-	0.25				0.25	-
WAI Atka Mackerel	m	-						-
CAI Atka Mackerel	m	-						-
EAI/BS Atka Mackerel	m	-	0.44				0.44	-
Rock Sole	m	-	0.00				0.00	-
BS Greenland	m	-	2.04				2.04	-
AI Greenland	m	-						-
Arrowtooth Flounder	m	-	7.59				7.59	-
Northern	m	N/A						-
Shortraker	m	N/A	0.05				0.05	-
Rougheye Rockfish	m	N/A						-
BS Other	m	-	0.07				0.07	-
AI Other Rockfish	m	-						-
Other	m	N/A						-

a. Summary of harvesting activities by target fishery (sablefish)

To date, the F/V Ballyhoo harvested 67.8% of CBSFA's Bering Sea Fixed Gear Sablefish allocation using pot gear.

b. Summary of by-catch in the Sablefish fishery

By-catch is minimized through the use of pot gear. No unusual by-catch to report.

5. Atka Mackerel / Flatfish Harvesting Activities for 2004 Quarter 1

2004 BBEDC, CBSFA, CVRF, & YDFDA Flatfish Pool

Species	ATTACHMENT A					Catch	CDQ Groups MT Harvested					MTs Remaining	% Remain
	BBEDC	CBSFA	CVRF	YDFDA	Total		BB	CB	CV	YD	Total		
Pacific Cod	130.000	40.000	120.000	120.000	410.000	27.559	8.738	2.689	8.066	8.066	27.559	382.441	93.3%
BS Sablefish	15.000	4.500	5.500	16.000	41.000		0.000	0.000	0.000	0.000	0.000	41.000	100.0%
AI Sablefish	7.000	2.500	3.750	7.500	20.750		0.000	0.000	0.000	0.000	0.000	20.750	100.0%
WAI Atka Mackerel	220.000	121.000	220.000	270.000	831.000		0.000	0.000	0.000	0.000	0.000	831.000	100.0%
CAI Atka Mackerel	336.000	183.000	325.000	410.000	1,254.000	70.326	18.843	10.263	18.226	22.993	70.326	1,183.674	94.4%
EAI/BS Atka Mackerel	111.000	65.000	110.000	140.000	426.000	257.980	67.220	39.363	66.615	84.782	257.980	168.020	39.4%
Yellowfin Sole	1,400.000	400.000	270.000	1,600.000	3,670.000		0.000	0.000	0.000	0.000	0.000	3,670.000	100.0%
Rock Sole	450.000	185.000	65.000	570.000	1,270.000	0.941	0.333	0.137	0.048	0.422	0.941	1,269.059	99.9%
BS Greenland Turbot	15.800	4.000	17.000	16.000	52.800		0.000	0.000	0.000	0.000	0.000	52.800	100.0%
AI Greenland Turbot	5.000	2.000	8.000	5.000	20.000		0.000	0.000	0.000	0.000	0.000	20.000	100.0%
Arrowtooth Flounder	134.000	35.000	19.000	140.000	328.000	0.815	0.333	0.087	0.047	0.348	0.815	327.185	99.8%
Flathead Sole	195.000	70.000	102.000	190.000	557.000		0.000	0.000	0.000	0.000	0.000	557.000	100.0%
Other Flatfish	26.000	8.000	1.250	30.000	65.250		0.000	0.000	0.000	0.000	0.000	65.250	100.0%
Alaska Plaice	120.000	10.000	140.000	75.000	345.000		0.000	0.000	0.000	0.000	0.000	345.000	100.0%
BS Pacific Ocean Perch	12.000	3.500	13.580	11.000	40.080		0.000	0.000	0.000	0.000	0.000	40.080	100.0%
WAI Pacific Ocean Perch	52.500	30.100	55.000	63.000	200.600		0.000	0.000	0.000	0.000	0.000	200.600	100.0%
CAI Pacific Ocean Perch	26.500	16.500	30.000	33.000	106.000	0.088	0.022	0.014	0.025	0.027	0.088	105.912	99.9%
EAI Pacific Ocean Perch	27.000	17.300	32.000	32.000	108.300	7.737	1.929	1.236	2.286	2.286	7.737	100.563	92.9%
BS Other Rockfish	1.000	0.500	1.500	1.500	4.500		0.000	0.000	0.000	0.000	0.000	4.500	100.0%
AI Other Rockfish	4.000	1.900	4.000	4.500	14.400	0.147	0.041	0.019	0.041	0.046	0.147	14.253	99.0%
Other Species					N/A	6.244						N/A	N/A
BS Pollock													
Prohibited Species													
Zone 1 Red King Crab	1500	750	1200	1600	5,050		0.000	0.000	0.000	0.000	0.000	5,050.000	100.0%
Zone 1 Bairdi Tanner Crab	11000	3000	3000	12000	29,000		0.000	0.000	0.000	0.000	0.000	29,000.000	100.0%
Zone 2 Bairdi Tanner Crab	38000	13000	20000	40000	111,000		0.000	0.000	0.000	0.000	0.000	111,000.000	100.0%
Opilio Tanner Crab	40000	15000	25000	45000	125,000		0.000	0.000	0.000	0.000	0.000	125,000.000	100.0%
Pacific Halibut	36.000	10.000	8.000	40.000	94.000	0.447	0.171	0.048	0.038	0.190	0.447	93.553	99.5%

6. Crab Harvesting Activities, 2004 Quarter 1

Crab Harvest Activity									
First Quarter as of March 31, 2004									
CDQ Reserve Category	Units	Annual Allocation	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Harvest	Percent Harvested	Remaining Allocation
Bering Sea <i>C. Opilio</i> (snow) Tanner crab	lbs	356,416	353,808				353,808	99.3%	2,608
Bering Sea <i>C. Bairdi</i> Tanner crab	lbs	N/A							
Bristol Bay Red King crab	lbs	TBD							
Norton Sound Red King crab	lbs	N/A							
Pribilof Red & Blue King crab	lbs	Closed							
St Matthew Blue King crab	lbs	Closed							

- a. **Summary of harvesting activities by target fishery (*C. Opilio*)**
In Quarter 1 of 2004 the F/V Shishaldin and F/V Early Dawn harvested 99.3% of CBSFA's *C. Opilio* Allocation.
- b. The GHL has not been determined for the 2004 BBRKC.

7. Halibut Harvesting Activities for 2004 Quarter 1

Halibut Harvest Activity									
First Quarter as of March 31, 2004									
CDQ Reserve Category	Units	Annual Allocation	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Harvest	Percent Harvested	Remaining Allocation
4B Halibut	lbs	0						-	-
4C Halibut	lbs	731,000.00	0	-	-	-	0	0.0%	731,000
4D Halibut	lbs	0						-	-
4E Halibut	lbs	0						-	-

- a. **Summary of harvesting activities by target fishery (Halibut)**
Harvesting activities will begin for CBSFA in June of 2004.
- b. **Summary of by-catch in the Halibut fishery**
No by-catch to report, all vessels are below 60 feet.

C. Compliance / Enforcement Issues

- No Pollock or Other Groundfish violations occurred in the first quarter of 2004.

D. Other Fishing Issues/Activities

NONE

V. CONFIDENTIAL ISSUES

A. Financial Statements

B. Tax Issues

Corporate Restructuring.

C. Imminent Major Investments

F/V Starlite & F/V Starward.

D. Other

1. Board Minutes

The minutes for the following board meetings are attached:

-CBSFA Regular BOD Meeting February 29, 2004

-CBSFA Regular BOD Meeting March 25, 2004.